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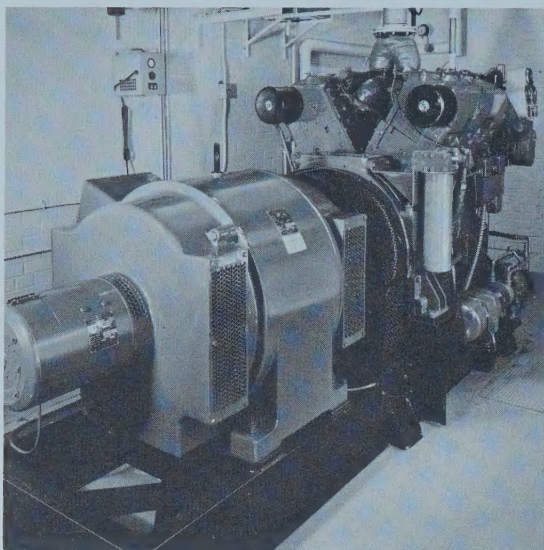
MAY 2 1963

Canadian
Curtiss - Wright,
Limited

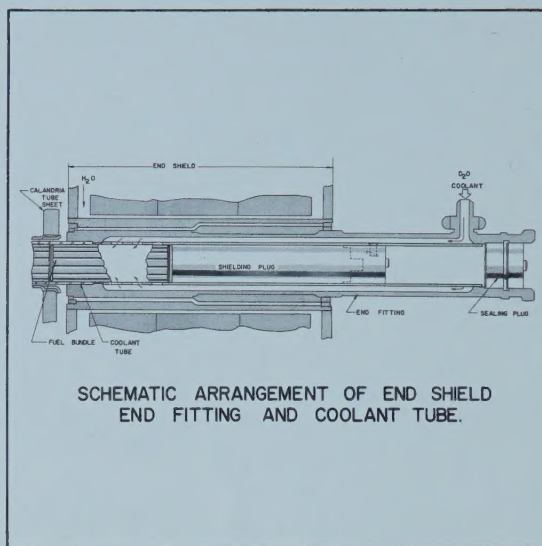


1962 ANNUAL REPORT
for the year ended December 31.

Canadian Curtiss Wright, Limited



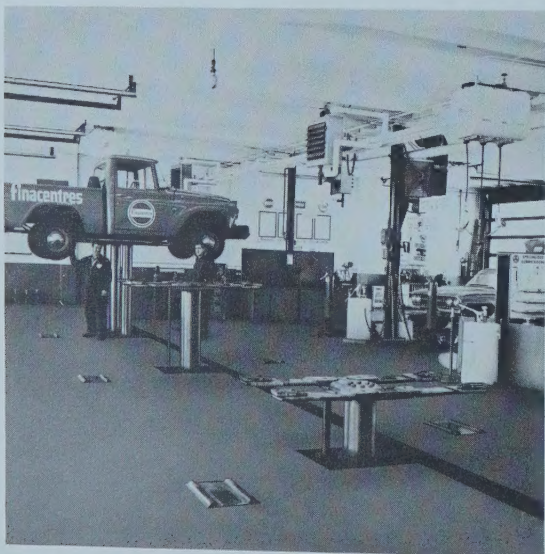
GENERATOR SETS. Canadian Curtiss-Wright, Limited offers a complete range of gasoline and diesel driven models for every purpose, including emergency "stand-by".



SCHEMATIC ARRANGEMENT OF END SHIELD
END FITTING AND COOLANT TUBE.

ALLOY END FITTINGS are supplied by Canadian Curtiss-Wright, Limited for the A.E.C.L. atomic reactor-type electric generating plant at Douglas Point, Ontario.

Diversified Products for an Expanding Economy



JOYCE LIFTS. A complete line of hoists designed to meet the lifting requirements of the automotive service industry.



BIG FOUR XP 100—world's fastest tire changer, part of a full line of accessory equipment for the tire service industry.

To the Shareholders of Canadian Curtiss-Wright, Limited:

The year 1962 was a year in which your Company moved to supplement the declining aircraft parts demand that had been previously reported. The result was a year of diversification and development, and, as a result, lower profits.

Operations of Canadian Curtiss-Wright, Limited for 1962, before giving effect to losses involved in the consolidation of a partially-owned subsidiary, resulted in sales of \$3,951,667 and net earnings of \$111,357. This compares with sales of \$5,051,118 and net earnings of \$235,410 for 1961. Combined operations of Canadian Curtiss-Wright, Limited and the partially-owned subsidiary resulted in an overall profit of \$23,069.

The subsidiary referred to is The Midland Foundry and Machine Company Limited and its wholly-owned Division, the Canada Crane and Hoist Company, of which your Company acquired 50 per cent of the stock in the Spring of 1962. Integration of these companies resulted in a loss of \$70,000. Canadian Curtiss-Wright, Limited acquired control of the balance of the outstanding stock in January, 1963 and Midland is now wholly-owned by your Company.

The full acquisition of Midland broadens our product line and extends our industry penetration. Midland has two manufacturing plants located in Midland, Ontario, and assembly, servicing and sales outlets in Toronto, Ontario; Montreal, Quebec and Winnipeg, Manitoba. It produces a range of hydraulic equipment, primarily for the automotive field and also for general industrial use and the aircraft, construction and oil industries. It also produces compressors and material handling equipment. With this acquisition, the sales and manufacturing rights to the products of eight prominent U.S. and English manufacturing organizations were obtained.

During the year an electronic component and instrument sales division was formed. It is currently selling the products of two United States subsidiaries of Curtiss-Wright Corporation and of four other U.S. and overseas manufacturers, and other sales franchises are being sought.

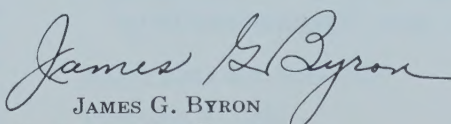
In addition, two new engine sales agencies, to support other Canadian sales operations, were obtained from major companies in the United Kingdom.

Important steps were taken in 1962 in the further development of the motor generating equipment of the Super Motor and Electric Division, through the engineering and prototyping of an extensive line of generator sets to complete the product range.

During 1962, the following significant events took place which gained recognition for Canadian Curtiss-Wright as a supplier of technical engineered products. We delivered seven Radar Maintenance Trainers to the Canadian Military for the advanced training of radar technicians. Orders were received, for delivery in 1963, for five "C" Band Weather Radar units to be installed in five major Air Terminals in Canada. Orders were accepted, with delivery in 1963, for 620 extruded and machined alloy end fittings for installation in the A.E.C.L. atomic reactor-type electric generating plant at Douglas Point, Ontario. The steel billets, required to fill this order, were produced in Canada, shipped to the Metals Processing Division of the Curtiss-Wright Corporation in Buffalo, N.Y., for extrusion, and returned to Canada for machining, resulting in 80 per cent Canadian content.

Your Management is continuing an aggressive policy of expansion and diversification to increase sales; at the same time programmes designed to achieve increased profits through cost cutting and greater efficiency and the further consolidation of various segments of our business, are being actively pursued.

Your Board of Directors express their appreciation to all employees for their loyalty, support and contributions during the year.


JAMES G. BYRON
Chairman of the Board



ASSETS

Current Assets

Cash.....	\$ 190,374	
Accounts receivable, less provision for doubtful accounts.....	814,091	
Advances to associated company.....	117,258	
Inventories—at the lower of cost or market.....	538,669	
Prepaid expenses.....	<u>4,882</u>	\$1,665,274

Investment in Shares of Associated Company—

at cost, less loss since acquisition of its common shares		30,000
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Fixed Assets

Land—at cost.....	12,595	
Buildings, equipment, furniture and fixtures and leasehold improvements— at cost.....	\$297,389	
Accumulated depreciation.....	<u>128,244</u>	<u>169,145</u>
		181,740

Sundry Investments—at cost

Deposit with trustee (Note 3).....	249,625	
Other.....	<u>44,569</u>	294,194

Franchises, Trademarks, Patents and

Patent Development—at cost, less amounts written off		<u>272,086</u>
		<u>\$2,443,294</u>

APPROVED ON BEHALF OF THE BOARD

JAMES G. BYRON }
WILLIAM J. MANN } DIRECTORS

Auditors' Report to the Shareholders

We have examined the balance sheet of Canadian Curtiss-Wright, Limited as at December 31, 1962 and the related statements of earnings and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

LIABILITIES

Current Liabilities

Accounts payable and accrued liabilities.....	\$ 101,878	
Provision for income taxes.....	8,755	
Due to parent company.....	856,692	
Note payable—Instalment due within one year.....	<u>25,000</u>	\$ 992,325

Note Payable

5% note payable in annual instalments of \$25,000 commencing June 5, 1963.....	250,000	
Less:		
Current instalment included with current liabilities.....	<u>25,000</u>	<u>225,000</u>
		1,217,325

Shareholders' Equity

Capital stock—		
Authorized—		
5,000,000 shares without par value (Notes 2 and 3)		
Issued and fully paid—		
3,947,730 shares.....	1,095,608	
Earned surplus.....	<u>130,361</u>	<u>1,225,969</u>
		<u>\$2,443,294</u>

NOTES—

1. Current assets and liabilities in U.S. funds have been converted to Canadian funds at the December 31, 1962 rate of exchange.
2. 100,000 shares of the authorized capital stock have been set aside for the purpose of granting stock options to employees. Options have been granted to purchase 15,000 shares on or before December 31, 1965 at \$1.10 per share, 10,000 shares on or before August 30, 1966 at \$1.25 per share and 12,000 shares on or before May 2, 1967 at \$1.15 per share.
3. Pursuant to an agreement dated June 5, 1962, the company undertook to purchase for \$650,000, payable \$250,000 in cash and \$400,000 by the issue of 400,000 shares, all of the shares of Midland Foundry and Machine Company Limited should the shares of that company be offered to it on or before February 28, 1963. In partial security for this undertaking, the company deposited \$250,000 of bonds with a trustee, the cost of which bonds is referred to as "Deposit with trustee" on the balance sheet. The shares were offered and the transaction completed on January 15, 1963.
4. Contingent liabilities at December 31, 1962 under guarantees and claims amounted to approximately \$65,000.

In our opinion, the accompanying balance sheet and statements of earnings and retained earnings, with the notes thereto, present fairly the financial position of Canadian Curtiss-Wright, Limited as at December 31, 1962 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Coopers & Lybrand

CHARTERED ACCOUNTANTS

February 8, 1963



ASSETS

Current Assets

Cash.....	\$ 190,374	
Accounts receivable, less provision for doubtful accounts.....	814,091	
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S AT DECEMBER 31, 1962

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Less:		
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		1,217,325

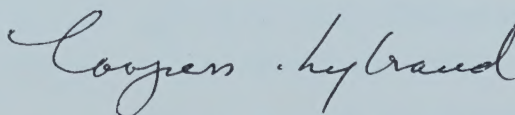
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CHARTERED ACCOUNTANTS

February 8, 1963

Canadian Curtiss



Wright, Limited

Statement of Earnings

for the Year Ended December 31, 1962

Sales.....		\$3,951,667
Cost of sales (including depreciation of \$8,251).....		<u>3,431,083</u>
		520,584
Selling, general and administrative, and financial expense (including depreciation of \$23,022 and directors' fees of \$2,600).....	\$ 437,811	
Franchises and patents written off.....	<u>39,841</u>	
	477,652	
Less: Other income.....	<u>68,425</u>	<u>409,227</u>
Profit before the undernoted items.....		111,357
Loss on conversion to Canadian funds of net current liabilities payable in U.S. funds.....	14,788	
Provision for loss incurred by associated company since acquisition of its common shares.....	<u>70,000</u>	<u>84,788</u>
		26,569
Provision for income taxes.....	41,000	
Reduction on application of prior years' losses.....	<u>37,500</u>	<u>3,500</u>
Net profit for the year.....		<u>\$ 23,069</u>

Statement of Retained Earnings

for the Year Ended December 31, 1962

Balance—December 31, 1961.....	\$ 107,292
Net profit for the year.....	<u>23,069</u>
Balance—December 31, 1962.....	<u>\$ 130,361</u>

Canadian Curtiss Wright, Limited

General Office: 518 Evans Avenue, Toronto 14, Ontario

DIRECTORS

JAMES G. BYRON

Vice-President

*Curtiss-Wright Corporation,
Wood-Ridge, N.J., U.S.A.*

D. K. MAC TAVISH

Solicitor

*Gowling, MacTavish, Osborne & Henderson,
Ottawa, Ontario.*

JACK PEMBROKE

Chairman of the Board

*The Royal Trust Company,
Montreal, P.Q.*

J. J. DOYLE

Vice-President for Finance & Controller

*Curtiss-Wright Corporation,
Wood-Ridge, N.J., U.S.A.*

SAM D. IRWIN

*Senior Consultant on International
Marketing*

*Curtiss-Wright Corporation,
Wood-Ridge, N.J., U.S.A.*

W. J. MANN

President

*Canadian Curtiss-Wright, Limited,
Toronto, Ontario.*

JOHN B. MORRIS

Vice-President

*Curtiss-Wright Corporation,
Wood-Ridge, N.J., U.S.A.*

OFFICERS

JAMES G. BYRON

Chairman of the Board

W. J. MANN

President

FRANK H. MILLER

Treasurer

CHARLES F. SCOTT

Secretary

LEONARD W. NATTHEN

Assistant Treasurer

FRANCIS E. FALLON

Assistant Secretary

Transfer Agent and Registrar: THE CANADA TRUST COMPANY, 110 Yonge Street,
Toronto 1, Ontario.

Corporate Counsel: GOWLING, MAC TAVISH, OSBORNE & HENDERSON, 116 Albert Street,
Ottawa 4, Ontario.

